

Citizen Trade Policy Commission

Friday May 16th, 2008

Transportation Committee Room

10:00 A.M. Commission General Meeting

Meeting Summary

Members Present: Chair, Senator M. Rotundo, Rep. Sharon Treat, Elise Flemings, Rep. Jeffery A. Gifford, Jane Auidi, Sarah Bigney, Malcolm Burson, Linda Pistner, Paul Volckhausen, Carla Dickstein, Elsie Flemings, Cynthia Phinney, Linda Pistner, and Perry Newman.

Staff present: Curtis Bentley, Legislative Analyst and Judy Gopaul, Policy Assistant.

Guest Speakers: Representing USTR was Ms. Tiffany Moore, Assistant U.S. Trade Representative for Intergovernmental Affairs & Public Liaison. Representing the Forum on Trade and Democracy were Robin Lunge and William Warren.

UPDATES:

- I. United States Trade Representative** (via conference call) – Ms. Moore reported that forty percent of the U.S. economic growth came from exports and that the U.S. would continue its policy on increasing its exports and to advance the World Trade (WTO) Organization's Doha Development Agenda in the areas of agriculture, industries and services sectors. She also spoke of the U.S. commitment to the Colombia Free Trade Agreement and its continued negotiations and discussions with China on the trade issues relating to intellectual property, market access and auto parts. Ms. Moore stated that a response to the Commission's letter of April 23, 2008 requesting information on USTR/WTO notification protocol was forthcoming. On the issue of China's objection to the Maryland's "lead in children's toys" bill, Ms. Moore stated that USTR notified China about that bill by mistake, because of a glitch in their electronic database that monitors federal agency regulations (not federal and state legislation) and notifies foreign governments of pending federal regulations for transparency purposes. She didn't think that China would continue to pursue the matter and that even if China did its claims as stated in its letter were without merit. This electronic database is managed by the, National Institute of Standards and Technology (NIST), and is a non regulatory federal agency within the U.S. Department of Commerce. Ms. Moore stated that USTR has been working on rectifying this problem so that it never happens again. Ms. Moore stated that China's objection should have been made through WTO's customary channels and not made directly to Maryland. She asserted that Maryland's proposed law should not be impacted by trade agreements because it dealt with the protection of human

health and safety. Ms. Moore assured the commission that the USTR was committed to ensuring the safety of imported goods and its citizens, and that the administration's policy on domestic regulations and the sovereignty of the states to exercise its legislative powers has been consistent. Ms. Moore disagreed with the notion that state laws can be challenged under trade agreements and felt states could continue to regulate domestic matters as states have traditionally done.

- II. Forum on Trade and Democracy** – Robin Lunge and William Warren. Briefed the Commission on NCSL's continued debate on the Columbia FTA and stated that there is a major effort to get state support for the agreement. William Warren also briefed the Commission on the current activities regarding the regulation of lead in consumer products by states. He said that a challenge to these law may be based on grounds that they violate WTO agreements on technical barriers and that they are not the least restrictive way to prevent exposure to unsafe levels of lead in toy
- III. Representative Sharon Treat** – Representative Treat attended the National Conference of State Legislatures' 2008 Spring Forum in Washington, D.C. She Representative Treat reported that the Colombia Free Trade Agreement resolution on was voted down – seven (7) against, four (4) in favor and one (1) abstention. Representative Treat distributed copies of the commissions' letter objecting to the Colombia Free Trade Agreement and copies of the summary of the testimonials made at the February 21, 2008 CTPC public hearing in Portland, ME., to the twelve (12) legislative members and other NCSL conference attendees. Representative Treat commented that the Ambassador for Colombia and other White House officials were in attendance at this forum.
- IV. Update GATS letter to USTR** – Because the Chair of the Working Party of Domestic Regulations recently released a 4th draft of proposed rules, the Commission directed staff to update the Commission's 2006 letter to USTR regarding an earlier draft of the proposed disciplines to address ongoing concerns on the issues of transparency, state authority and other issues raised by the new draft. On the issue of transparency, Linda Pistner offered to look at Maine's Administrative Procedures Act (APA) to ascertain whether Maine meets the terms of the new proposed transparency obligations provided in the Chairman's fourth draft.
- V. Future direction of Commission** - Commission members agreed to set aside a meeting in the fall to talk exclusively about what is the most effective way for the Commission to continue its work. Members also agreed that a facilitator would ensure that the meeting is as productive as possible. Discussed scheduling the meeting for half a day in early September and directed staff to work with Commission members to find an appropriate date.
- VI. Maine's newly enacted law regarding lead in consumer products:** Specifically, An Act To Protect Children's Health and Environment from Toxic Chemicals in Toys and Children's Products Chapter (Public Law 2007) Sec. 1.38 MRSA §1609 et.seq., sub §10. Staff provided the Commission with an update on bills that were before the Second Regular Session of the 123rd Legislature that addressed lead in consumer products.

- VII. Guest Speaker for June 20th, 2008 Meeting:** On the recommendation of Perry Newman, the commission extended an invitation to Brian Crowely, Ph.D., the founding President of the Atlantic Institute for Market Studies (AIMS), to speak on the Atlantica “project.” AIMS is Atlantic Canada's public policy think tank.
- VIII. Public Hearing** – To be discussed at the next general meeting. Members were to provide possible dates (early in October) for the hearing. It was also suggested that invitations to attend this public hearing be extended to the Maine Congressional delegation.
- IX. Next Meeting:** June 20th, 2008 scheduled for 10:00 a.m. in the Transportation Committee Room, #126.
- X. Adjournment:** The commission adjourned its meeting at approximately 12.10 a.m.